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ABSTRACT

This document contains the budget recommendations for Illinois public community colleges and the Illinois Community College Board for fiscal year (FY) 1978, reviews the funding history and problems of Illinois community colleges and provides a statement of need for the FY 1978 budget request totalling $122,196,218. This figure compares to the FY 1977 budget appropriation of $108,802,000, although $117,111,500 had been recommended by the Illinois Community College Board. It is noted that in the three-year period of FY 1974-1977, state credit-hour grant support per student has decreased more than 8% while inflation has increased by nearly 25%. Consequently, the bulk of the recommended increase over the 1977 budget is for credit-hour grants, with a rate of $20.80 recommended as the base rate for the average credit-hour grant. This budget recommendation is intended to prevent further program closures, tuition increases, and deterioration of educational quality. Tabular and graphic data are included throughout and provide information on: state appropriations by budget item and apportionment rates FY 1966-1977; anticipated revenues by source and per credit hour for FY 1978; unit costs by college and instructional program area for FY 1976; annual apportionment FTE enrollment by funding category for FY 1976; assessed valuations and estimated tax collection losses; and equalization funding. Overall, costs for operation of the Illinois community colleges for FY 1978 are projected at $299,675,000 for 185,500 FTE students at $53.85 per credit hour. (JDS)

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FISCAL YEAR 1978 OPERATING BUDGET

RECOMMENDATIONS FOR THE ILLINOIS PUBLIC COMMUNITY COLLEGE SYSTEM

Approved By The
Illinois Community College Board
November 19, 1976

BEST COPY AVAILABLE

JC 770 147

Illinois Community College Board
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FISCAL YEAR 1978 OPERATING BUDGET RECOMMENDATIONS FOR THE ILLINOIS PUBLIC COMMUNITY COLLEGE SYSTEM

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FISCAL YEAR 1978 OPERATING BUDGET RECOMMENDATIONS
FOR THE ILLINOIS PUBLIC COMMUNITY COLLEGE SYSTEM

Introduction

The public junior college system came into existence by legislative enactment on July 15, 1965. This legislation set flat grant funding at the rate of $11.50 per semester credit hour for Class I junior colleges. These levels of funding and this method of distribution were used during the 74th and 75th biennia (fiscal years 1966 through 1969). The funding totaled $24.7 million and $40.9 million respectively for the two biennia.

Since only Class I colleges were still in operation, a single flat rate of $15.50 per semester credit hour was adopted for FY 1970, resulting in an appropriation of $34.8 million. The $15.50 rate was maintained for FY 1971 and totaled $42.3 million.

The funding plan adopted by the 77th General Assembly for FY 1972 maintained a flat rate grant of $15.50 per semester credit hour ($48.2 million) but added $1.05 million for equalization funding for certain qualifying districts, making a total appropriation of $49.2 million.

In FY 1973 the flat grant rate was increased to $16.50 per semester credit hour and an additional $2.50 was funded for each semester credit hour in non-business occupational programs. The respective appropriations totaled $54.2 million and $1.5 million. Equalization funding was retained and increased to a total of $1.4 million. Grants were also provided for approved public service and disadvantaged student programs ($750,000 and $1.4 million respectively) bringing the total FY 1973 appropriation to $59.1 million.

During FY 1974, with the aid of a $1.54 million deficiency appropriation, flat grants were paid to community colleges at a rate of $18.50 per semester

credit hour and supplemental non-business occupational grants were increased to $5.00 per semester credit hour and totaled $65 million and $3.34 million respectively. For the first time a small amount ($78,600) was appropriated for instruction of inmates at correctional institutions. Equalization funding ($2.22 million) and special categorical funding for disadvantaged students ($750,000) and public service ($1.4 million) continued, although the funding bases were altered somewhat. The total FY 1974 appropriation was $72.8 million.

During FY 1975 funds were appropriated which were intended to produce the following semester credit hour rates and totals: (1) flat grants were expected to increase to $19.20, totaling $67.4 million; (2) supplemental non-business occupational grants were to increase to $5.80, totaling $3.8 million; (3) equalization funding was expected to total more than $2.8 million; (4) funding for instruction at correctional institutions was to amount to $100,000; and (5) funding for public service and for disadvantaged student programs was to remain at the same levels appropriated for FY 73 and FY 74 ($750,000 and $1.4 million respectively). Because of a dramatic spring, 1975 enrollment increase, causing annual apportionment FTE enrollments to increase from an expected 117,000 to nearly 141,000, a supplemental appropriation was sought to allow apportionment claims to be paid at the prescribed rates. However, since $16 million was needed and since just over $10 million was provided, the flat grant payments had to be prorated at $18.12 per semester credit hour, marking the first time community colleges had not been funded at the full rates upon which the appropriation was based. Because of the deficiency appropriation, supplemental non-business occupational grants were paid at the prescribed $5.80 rate which equalization payments totaled $3.15 million. Other grants were unaffected. The total appropriation for FY 1975

including the deficiency appropriation, was $86.5 million.

Funds were appropriated for FY 1976 which were expected to provide the following rates and amounts of funding:

(1) variable flat grants semester credit hour rates totaling $82.4 million as follows--

(a) $19.20 for summer 1975 baccalaureate and occupational courses, summer 1975 general studies courses and fall 1975-spring 1976 baccalaureate and occupational courses (specified at $21.70 in SB 471);

(b) $18.00 for fall 1975-spring 1976 remedial/developmental and vocational skills courses (specified at $19.20 in SB 471); and

(c) $17.61 for fall 1975-spring 1976 other general studies courses;

(2) $5.80 for supplemental non-business occupational semester credit hours totaling $4.6 million;

(3) $3.1 million for equalization grants;

(4) $705,000 for public service grants; and

(5) $117,500 for grants for instructional programs at correction institutions.

The appropriation for FY 1976 totaled $93.4 million. Since the appropriation was based on an anticipated FTE enrollment of 145,000 and enrollments exceded 171,000 and since no deficiency appropriation was received, claims have had to be prorated at the following rates:

Summer Baccalaureate/Occupational	$16.82
Summer General Studies	16.60
Fall-Spring Baccalaureate/Occupational	16.00
Fall-Spring Remedial Developmental/ Vocational Skills	16.50
Fall-Spring Other General Studies	14.95

A special "Blue Ribbon" Committee appointed by the Illinois Board of Higher Education met in 1974 and early 1975 to study community college finance.

The major outcome of their deliberations was to develop a formula providing differential funding based on the unit cost of the various disciplines. Funds have been appropriated for FY 1977 which include the following grants and rates based on the "Blue Ribbon" plan:

(1) Credit hour grants as follows--

	Basic Rate For 171,000	Growth Rate
Baccalaureate and Academic	$18.87	$13.21
Business,Pub.Serv.,Personal Serv.	16.93	11.85
Data Processing, Commerce Technology	19.88	13.92
Natural Science, Industrial Technology	24.37	17.06
Health Technology	37.01	25.91
Vocational Skills	13.96	9.77
Remedial/Developmental	14.17	9.92
Other General Studies	7.65	5.36

totaling $95,934,500;

(2) Equalization grants totaling $6,118,500; and

(3) Disadvantaged student grants totaling $2,708,400.

A complete history of appropriations to the ICCB, both for expenses of the central office and for distribution to the colleges in the system, is summarized in Table 1. A listing of apportionment funding rates since FY 1966 is listed below and in Table 1:

Apportionment Rates for FY 1966-1977

	FY66-69	FY70-72	FY 73	FY 74	FY 75	FY 76	FY 77
Flat Grant Rates							
Appropriated	$11.50	$15.50	$16.50	$18.50	$19.20	$18.93[a]	$18.12[b]
Paid	$11.50	$15.50	$16.50	$18.50	$18.12	$16.00	$ ---[c]
Suppl.Non-Bus.Occup.	---	---	$ 2.50	$ 5.00	$ 5.80	$ 5.80	---
Equalization Rate (Foundation/ Qualifying Tax Rate)	---	$570 / 16.47¢[d]	$510 / 17.46¢	$440 / 12¢	$460 / 12¢	$460 / 12¢	$580 / 18¢

[a]Estimated average
[b]Estimated average rate based on 176,500 FTE enrollment
[c]Absorbed by credit hour grants
[d]Equalization funding was initiated in FY 1972

Table 1

SUMMARY OF STATE APPROPRIATIONS TO THE ILLINOIS COMMUNITY COLLEGE BOARD FOR THE OPERATION OF ILLINOIS PUBLIC COMMUNITY COLLEGES AND THE CENTRAL OFFICE--FY 1966-1977

Budget Items	Biennial Appropriation FY 1966 & 1967	Biennial Appropriation FY 1968 & 1969	Annual Appropriation FY 1970	Annual Appropriation FY 1971	Annual Appropriation FY 1972	Annual Appropriation FY 1973	Annual Appropriation FY 1974[b]	Annual Appropriation FY 1975[f]	Annual Appropriation FY 1976	Annual Appropriation FY 1977[g]
ICCB Office										
Personal Serv.	$130,000	$300,000	$182,600	$217,100	$262,737	$277,486	$313,078	$351,455	$428,310	$428,310
Contractual Serv.	75,000	88,500	47,000	53,400	70,000	69,300[a]	45,003	52,784	62,110	85,470
Travel	25,000	45,000	21,000	21,000	25,000	25,000	18,000	15,000	16,920	20,000
Commodities	17,000	9,000	6,000	7,000	10,000	8,000	3,175	6,000	8,000	8,400
Printing	3,000	10,000	6,000	10,000	15,000	10,000	1,000	1,000	2,500	2,500
Equipment	-0-	8,000	3,500	3,500	5,000	1,500	2,000	2,000	1,500	1,000
Telecommunications	-0-	-0-	-0-	4,700	5,000	5,000	6,000	7,061	9,000	13,000
Retirement	-0-	2,200	9,710	11,400	9,400	9,400	10,000	14,800	12,100	17,600
Congingencies	47,000	10,000	5,000	-0-	-0-	-0-	-0-	-0-	-0-	-0-
SB 1188	-0-	-0-	-0-	-0-	-0-	-0-	50,000	-0-	-0-	-0-
Mgmt.Info.System	-0-	-0-	-0-	-0-	-0-	-0-	150,000	30,000	100,000	15,000
Data Processing	-0-	-0-	-0-	-0-	-0-	-0-	-0-	46,700	60,620	17,600
Sub-Total(Office)	$297,000	$472,700	$280,810	$328,100	$402,137	$405,686	$593,256	$576,800	$662,400	$668,900
Ill.Pub.Comm.Colleges										
Apportionment Grants:										
Flat Rate/Credit Hr.	$24,719,970	$40,863,844	$34,809,500	$42,281,900	$48,200,000	$54,202,500	$65,025,000[b]	$76,663,900[f]	$82,357,165	$95,934,500
Suppl.Non-Bus.Occ.	-0-	-0-	-0-	-0-	-0-	1,530,000[a]	3,340,000[b]	4,413,200[f]	4,640,000	-0-
Special Assist.Grants:										
Equalization	-0-	-0-	-0-	-0-	1,050,000	1,200,000[a]	2,200,000	3,149,700[f]	3,100,000	6,118,500
Tax Collection Loss	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Disadvant.Students	-0-	-0-	-0-	-0-	-0-	1,400,000	1,400,000	1,400,000	2,444,000	2,708,400
Special Grants:										
Public Service	-0-	-0-	-0-	-0-	-0-	750,000	750,000	750,000	705,000	-0-
Correct.Institu.	-0-	-0-	-0-	-0-	-0-	-0-	78,600	100,000	117,500	-0-
New College Form.	1,300,000	Not Avail	Not Avail.	Not Avail.	300,000	100,000	100,000	300,000	-0-	-0-
Sub-Total (Grants to Colleges	$26,019,970	$40,863,844	$34,809,500	$42,281,900	$49,550,000	$59,182,500	$72,913,600[b]	$86,776,800[f]	$93,363,665	$104,761,400
Retirement Contribution	-0-	6,000,000	3,172,500	4,093,400	3,200,000	3,200,000	614,100	2,409,800	3,478,400	5,061,300
SCC-East St. Louis	-0-	-0-	750,000	2,131,300	2,396,900	2,879,500	3,205,780[c]	3,205,800	3,267,100	3,389,300
IBA Rentals	-0-	20,701,740	19,154,170	20,896,365	23,385,995	14,121,770	12,607,110	12,607,110	12,607,110	12,607,110
Sub-Total(Coll.Fund.)	$26,019,970	$67,565,584	$56,886,170	$69,402,965	$78,532,895	$79,383,770	$89,340,590	$104,999,510	$112,716,275	$125,819,110
					2,400,000[d]	2,400,000[e]				
Total Approp.for System Operations	$26,019,970	$68,038,284	$58,166,980	$69,731,065	$81,335,032	$82,189,456	$89,938,846[b]	$105,576,310[f]	$113,378,675	$126,488,010

[a]These figures changed from $49,300, $1,250,000, $1,400,000 and $200,000 respectively via passage of SB 1184 (transfer bill)
[b]Includes a supplemental appropriation of $1.54 million
[c]Includes $237,000 for leasing, insuring, and equipping a physical facility
[d]Special appropriation for equipment at Malcolm X
[e]Special appropriation for equipment at Kennedy-King College
[f]Includes a suppl. appropriation of $10.2 million (SB 472)
[g]Result after vetoes by Governor Walker

APPORTIONMENT RATES FOR FY 1966-1977	FY6667	FY6869	FY 70	FY 71	FY 72	FY 73	FY 74	FY 75	FY 76	FY 77
Flat Grant Rates										
Appropriated	$11.50	$11.50	$11.50	$15.50	$15.50	$16.50	$18.50	$19.20	$18.93[b]	$18.12
Paid	$11.50	$11.50	$11.50	$15.50	$15.50	$16.50	$18.50	$18.12	$16.00	---
Suppl.Non-Bus.Occup.	---	---	---	---	---	$ 2.50	$ 5.00	$ 5.80	$ 5.80	---
Equalization Rate (Foundation/ Qualifying Tax Rate)	---	---	---	---	$570 / 16.42¢	$510 / 17.46¢	$440 / 12¢	$460 / 12¢	$460 / 12¢	$580 / 18¢

$18.93 is an average of the five appropriated rates in FY 76 which were $19.20 for summer bacc./occup.courses, $19.20 for summer general studies courses, $21.70 for academic year bacc./occup.courses, $19.20 for academic year remed./develop./vocational skills courses, and $17.61 for academic year other general studies courses.

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Statement of Need

Before the various data and calculations are presented to justify in numbers the need for increased operating funds for FY 1978, something should be said in narrative about the need for the proposed increase.

The flat grant rate apportioned to community colleges increased from $11.50 (per semester credit hour) initially in FY 1966 to $15.50 in FY 1970, from $15.50 to $16.50 in FY 1973 and from $16.50 to $18.50 in FY 1974 in recognition of the increased cost of operation brought about in part by inflation. Then in FY 1975, after the General Assembly failed to provide enough supplemental funds, flat grant rates were prorated from the proposed $19.20 to $18.12--a reduction from the previous year. The General Assembly failed to provide any supplemental funds in FY 1976 and credit hour grants were prorated from $18.93 (average of three rates) to $16.00--in spite of the fact that the Governor had included a $21.70 figure in his initial budget. In FY 1977, if enrollments increase only a projected 176,500 FTE, credit hour grants will be paid at an average of $18.12, which includes the funds formerly paid out as supplemental vo-tech rates. Should these rates be excluded for comparative purposes with previous years, the average credit hour grant rate would be approximately $17.00.

In summary, in the three year period of FY 1974-FY 1977 state credit hour grant support per student has decreased more than 8% in a period when inflation has increased by approximately 25%! To further compound the problem, local tax revenue per student has steadily diminished since assessments have not increased nearly in proportion to enrollments. The inevitable effect of such reduced state and local revenue is to force tuition rates higher and also to force community college districts into various forms of

indebtedness. Tuition has increased in all but seven districts between FY 1974 and FY 1977 with several increasing more than 100%. (It is ironic and incomprehensible that the Governor and the General Assembly have refused to permit universities to increase their tuition any during that same period of time.) Colleges have also reported in RAMP/CC deficits in the form of working cash funds, tax anticipation warrants, and general obligation notes of more than $57 million in FY 1976, $70 million in FY 1977, and $77 million in FY 1978.

Since tuition increases and borrowing still have not provided the needed funds, many colleges have begun to take other measures to reduce spending including--

1. hiring greater numbers of part-time faculty to replace full-time faculty (part-time faculty are often paid at one-third, or less, the rate of full-time faculty);
2. freezing salaries (in the case of one college, for three consecutive years);
3. deferring implementation of, and in some cases cutting back, programs and services.
4. deferring maintenance and equipment replacement; and
5. increasing class size.

While reduced spending is politically popular, it tends to become an end in itself. The inevitable victim of revenue reductions of the duration and magnitude experienced by the community colleges is the student and the quality of education he or she receives.

While gross comparisons are frought with some danger, it is at least interesting to compare unit costs of Illinois public community colleges with those of public community colleges in other states and with high school districts in Illinois. The following chart shows that these three segments were almost at identical unit cost levels in FY 1973. However, by FY 1975

unit costs in public community colleges in other states and in Illinois high school districts had increased drastically while Illinois public community college unit costs remained relatively stable (and will probably experience a significant decrease in FY 1976).

Average Per FTE Student Operating Costs

	FY 1973	FY 1974	FY 1975	FY 1976
Illinois public community colleges	$1518	$1568	$1536	$1452
Other state public comm. colleges	1519	1645	1721	*
Illinois high school districts	1519	1634	1816	*

*Data unavailable

Certainly the experience in recent years with Illinois public community college expenditures when compared to either the rate of inflation or the experience of other segments of education should be cause for concern for those interested in providing quality education--particularly when one examines the steps that have had to be taken by the Illinois community colleges to reduce their expenditures.

The FY 1978 Operating Finance Plan

The FY 1978 operating finance plan is based on the funding plan developed by the "Blue Ribbon" Committee which was formed in 1974 by the Illinois Board of Higher Education to study community college funding.

A special Ad Hoc Committee consisting of community college trustees, community college presidents, and ICCB members and staff was appointed by the Illinois Community College Board (ICCB) in May of 1976 in an attempt to resolve the many interpretation differences which had surfaced in FY 1977 in costing out the "Blue Ribbon" plan. It is believed that many of the differences have been resolved by this Committee and the plan and budget request presented herein has the support of the entire community college system.

In summary, the FY 1978 funding plan for the public community colleges includes the following funds to be available for the community colleges to meet their projected costs of $299,675,000 for 185,500 FTE students at $53.85 per credit hour:

Revenue Item	Amount of Revenue	Revenue Per Credit Hour	% Of Total Revenue
Local Tax Contribution	$ 81,630,000	$14.67	27.2%
Tuition and Fee Revenue	59,935,000	$10.77	20.0%
Other Local Revenue	4,477,000	$ .80	1.5%
Total Local Revenue	($146,042,000)	($26.24)	(48.7%)
Federal Funds	8,977,000	$ 1.61	3.0%
Other State Revenue	11,289,000	$ 2.03	3.8%
DAVTE Vo-Tech Grants	5,677,000	$ 1.02	1.9%
ICCB Equalization Grants	6,983,000	$ 1.25	2.3%
ICCB Disadvant.Student Grants	3,000,000	$ .54	1.0%
ICCB Collection Loss Grants	1,924,000	$ .35	0.6%
ICCB Credit Hour Grants	115,783,000	$20.81	38.7%
Total State and Fed. Revenue	($153,633,000)	($27.61)	(51.3%)
Total FY 1978 Revenue	$299,675,000	$53.85	100.0%

The format of this section will be to present the funding plan mechanics along with a dollar figure which is generated by those mechanics on the left page and to present assumptions, definitions, and other forms of explanation on the right page. The plan will be proceeded by a listing of major differences between the proposed FY 1978 plan and the plan actually enacted for FY 1977.

Illinois Community College Board

MAJOR DIFFERENCES BETWEEN FY 1977 COMMUNITY COLLEGE FUNDING PLAN AND PROPOSED FY 1978 FUNDING PLAN

FY 1977 Community College Funding Plan	FY 1978 Community College Funding Plan
1. Other general studies courses funded only at 50% of formula difference.	1. Other general studies courses funded at 100% of formula difference, similar to other seven categories.
2. 1¢ reserved for public service activities and half of other general studies courses.	2. 1¢ reserved for only public service activities.
3. Enrollment growth funded only up to 70%.	3. Enrollment growth funded at the same percentage level as basic rates, but only 5% enrollment growth requested for FY 1978.
4. DAVTE reimbursement averaged for funding categories 3, 4, and 5 (data processing/commerce technology; natural science/industrial technology; health technology courses.)	4. Actual DAVTE reimbursement amounts applied to four of the five vocational "technology" categories; to possibly be submitted through ICCB.
5. Apparently IBHE staff did not include any restricted purposes revenue in the calculations.	5. Restricted purposes revenue in the amount of 75% was included as revenue since the ICCB staff estimates that these items are included in unit cost.
6. Unweighted mean tax rate used with no adjustments for non-operating funding plus 1¢ reserved for public service and other general studies.	6. Actual operating tax rates for each district for budget year are used with adjustments for transfers to non-operating funds and 1¢ reserve for public service activities.
7. Used a median tuition rate applied to projected FTE enrollments.	7. Used estimates of colleges for actual tuition and fee revenues as reported in RAMP/CC but not to exceed 20% of the unit cost.
8. A uniform 3% collection loss was applied statewide.	8. Actual collection losses for each district are calculated.
9. Disadvantaged student grants were calculated on proportion of federal funds reserved for economically disadvantaged students.	9. Disadvantaged student grants funded on the basis of educationally disadvantaged students defined in direct relation to students enrolled in remedial/developmental courses.

FY 1977 Community College Funding Plan	FY 1978 Community College Funding Plan
10. Credit hour grants reimbursed as regular mid-term and supplemental claims filed in ICCB office.	10. Credit hour grants to be paid quarterly to each district (proposed by the Council of Presidents and still under consideration by ICCB staff).
11. Projected uniform EAV growth.	11. Used actual district projections with no uniform rate being applied for EAV growth.
12. Used other than local revenues in determining the standard local contribution for equalization purposes.	12. Used only the local (tax and non-district chargeback) revenue for determining equalization funding.
13. Correctional instructional grants not included.	13. Correctional instructional grants included as an ICCB responsibility to be submitted as a separate appropriations request.
14. DAVTE monies not considered as an ICCB responsibility.	14. DAVTE monies <u>may</u> be funded through ICCB.
15. Used a combination of three "averages" in determining unit costs and credit hour grants.	15. Used a weighted average in determining unit costs and credit hour grants.

MECHANICS OF THE PROPOSED OPERATING FUNDING PLAN FOR FISCAL YEAR 1978	TOTAL COST OF FUNDING PLAN ELEMENTS With Explanation of Calculations	COST PER CREDIT HOUR OF FUNDING PLAN ELEMENTS
I. Determination of Total Operating Resource Requirements		
A. Calculate the actual FY 76 instructional costs and credit hours generated for each instructional category for each district.	The statewide average unit cost is $48.40 per credit hour for all instructional categories combined.	
B. Sum the instructional category costs and credit hours and divide the total cost by the total credit hours to obtain a statewide average unit cost for each category (weighted mean).		
C. Adjust FY 76 statewide unit costs by instructional category to reflect anticipated changes in general prices, utilities, and salaries between FY 76 and FY 78.	Estimated to increase 3½% for FY 77 based on known revenue levels, and 7½% for FY 78 (6½% for price increases, 15% for utilities, 7½% for salaries)--$53.85 per credit hour.	
D. Increase credit hour enrollments in each instructional category by 3% for FY 77 and 5% for FY 78.	Estimated to increase from present level of 171,576 by 3% in FY 77 and by 5% in FY 78 to a level of 185,500.	
E. Multiply C above by 30 and then by D above for each instructional category and sum the products to determine total operating resource requirements.	$53.85 x 30 credit hours x 185,500 = ...$299,675,000	$53.85

Determination of Total Operating Resource Requirements

Unit costs utilized herein are based on data received from all of the 38 districts. These figures are presented in the following chart.

	FY 1976 Statewide Weighted Mean Unit Cost
Baccalaureate	$49.76
Business and Public Service	$45.78
Data Processing & Commerce Technology	$55.67
Natural Science & Industrial Tech.	$58.63
Health Technology	$79.77
Vocational Skills	$39.21
Remedial/Developmental	$36.13
General Studies	$39.10
Average	$48.40

The Illinois Community College Board agreed to apply the same projected inflation factors for general prices, utilities, and salaries as will be used for the universities for FY 1978. The best judgement of the ICCB staff at this time, based on a review of Chase Economics, Wall Street Journal, and Higher Education Prices and Price Indexes is that general price increases will be 6½%, utility increases 15%, and salary increases 7½% (7% for faculty and administrators and 9% for civil service personnel) for an overall average of 7½%. Hence, after applying a factor of 3½% for increases for FY 1977 (based on known revenue availability), FY 1978 unit costs were increased by 7½%. These calculations are reflected in Table 2.

Table 3 shows the actual FY 1976 enrollments by funding category. It should be emphasized that the 3% (FY 77) and 5% (FY 78) projections (totaling 185,500 FTE) are not as much projections of actual enrollments as they are of enrollments which should be funded.

Table 2

Illinois Community College Board

Revised 11/15/76
All Districts Included

FY 1976 Unit Cost By Instructional Program Area
In the Public Community Colleges of Illinois

Dist. No.	Community College	Bacc.	Bus. & Pub. Ser.	D.P. & Comm.	Nat. Sci. Ind. Tech.	Health Tech	Voc. Skills	Rem/Dev.	Gen. Studies	All Inst.
501	Kaskaskia	$49.61	$49.44	$66.39	$52.24	$83.16	$45.65	$53.04	$41.30	$51.36
502	DuPage	48.22	47.80	52.52	51.71	95.86	-	82.13	48.84	50.15
503	Black Hawk	47.94	43.61	66.06	59.71	74.04	44.72	43.08	47.42	49.11
	Black Hawk Q.C.	49.56	41.68	66.36	57.56	74.61	38.11	41.29	34.07	47.14
	Black Hawk East	59.87	60.23	58.11	69.48	70.53	74.66	68.29	72.92	64.53
504	Triton	48.40	42.05	57.56	61.54	74.44	49.53	41.19	49.41	50.74
505	Parkland	46.20	48.84	67.47	67.24	103.57	55.27	68.97	58.44	55.26
506	Sauk Valley	44.55	41.14	40.72	43.71	60.14	48.02	50.10	46.80	45.29
507	Danville	49.42	52.43	69.21	69.04	58.81	48.60	50.47	50.51	53.76
508	Chicago	55.53	50.10	55.75	57.73	93.63	32.01	32.26	33.50	45.18
	Kennedy-King	55.76	53.27	54.56	56.02	112.79	39.97	54.02	39.83	55.47
	Loop	50.21	49.96	69.66	42.67	58.08	35.23	58.65	40.31	3..19
	Malcolm X	60.32	63.24	70.34	98.87	91.60	52.48	47.81	44.90	63.36
	Harry S. Truman	69.91	67.53	73.35	78.95	102.86	45.94	72.83	45.38	68.40
	Olive-Harvey	55.48	50.82	79.85	65.13	125.77	43.53	55.90	62.08	57.78
	Southwest	51.70	47.89	52.47	55.05	74.70	34.94	56.07	35.16	51.01
	Wilbur Wright	52.41	42.40	44.59	58.12	62.44	31.27	54.02	31.74	47.35
	Skills Center	-	-	-	-	-	30.05	30.05	30.05	30.05
509	Elgin	54.15	41.81	72.98	77.63	87.92	37.33	41.36	45.90	55.92
510	Thornton	49.03	40.88	49.12	56.49	65.23	47.94	41.72	40.41	47.04
511	Rock Valley	44.09	42.38	44.96	60.23	69.23	43.20	42.15	44.92	46.48
512	William R. Harper	47.90	45.12	51.63	67.38	87.47	43.79	40.18	40.54	50.20
513	Illinois Valley	48.85	37.90	50.65	61.74	61.55	49.77	47.50	43.47	49.64
514	Illinois Central	50.80	44.95	57.43	61.22	85.04	51.18	51.38	44.13	52.69
515	Prairie State	41.91	36.46	51.89	49.60	86.51	30.99	41.56	40.73	44.90
516	Waubonsee	46.54	48.22	51.84	71.27	69.76	44.90	40.27	43.53	49.42
517	Lake Land	45.76	43.27	44.51	54.37	64.94	49.65	37.57	38.72	47.86
518	Carl Sandburg	45.22	39.00	44.03	45.93	55.27	42.47	40.00	48.64	44.88
519	Highland	57.79	48.17	61.40	74.80	65.52	47.06	63.53	48.84	58.76
520	Kankakee	40.61	39.63	54.42	66.50	85.35	45.25	47.66	46.66	47.14
521	Rend Lake	48.58	40.57	36.73	58.07	63.55	52.08	62.30	61.83	51.54
522	Belleville	41.31	35.38	56.91	48.65	81.35	45.72	46.32	43.94	44.17
523	Kishwaukee	43.88	43.85	54.12	54.49	45.49	34.56	51.05	44.16	46.92
524	Moraine Valley	43.84	43.69	56.47	50.76	88.47	35.58	35.28	40.42	45.42
525	Joliet	46.74	42.49	51.70	57.76	133.84	46.42	42.09	45.29	48.68
526	Lincoln Land	57.84	50.39	64.37	81.55	116.07	53.04	60.67	75.26	61.71
527	Morton	64.68	49.35	61.98	69.92	88.64	55.73	55.37	52.03	62.26
528	McHenry	50.28	44.08	66.94	54.85	65.99	46.32	54.81	51.80	50.72
529	Illinois Eastern	37.17	39.77	51.09	44.48	60.63	34.79	35.37	34.34	39.58
	Lincoln Trail	37.38	38.95	43.88	39.25	46.32	32.60	32.22	34.88	37.29
	Olney Central	40.02	40.71	38.73	49.97	92.72	33.80	37.36	36.09	42.61
	Wabash Valley	33.68	39.24	67.79	45.15	45.30	44.20	36.18	32.51	38.77
530	John A. Logan	44.30	53.26	68.73	63.24	54.75	39.84	44.72	40.05	46.92
531	Shawnee	35.21	40.53	49.97	52.96	60.71	33.97	31.29	49.74	41.61
532	Lake County	43.71	42.17	48.31	50.37	59.42	36.99	43.64	44.08	46.15
533	Southeastern	50.82	44.07	89.47	52.29	62.73	42.64	44.81	39.51	50.56
534	Spoon River	82.68	77.76	85.17	109.50	91.71	57.26	67.19	61.00	84.70
535	Oakton	52.34	60.05	55.16	75.22	85.31	44.44	52.48	47.66	54.67
536	Lewis and Clark	51.18	41.73	63.69	61.54	97.33	54.56	41.87	47.08	51.16
537	Richland	65.97	65.27	64.31	89.82	-	65.68	69.20	81.34	68.26
539	John Wood *	67.75	50.72	68.94	69.18	-	43.71	-	-	65.16 *
	STATE WEIGHTED MEAN	49.76	45.78	55.67	58.63	79.77	39.21	36.13	39.10	48.40
State Weighted Mean w/o Chicago		48.01	44.14	55.63	58.73	77.37	44.22	45.53	45.15	49.90
+11.26% 2-year Inflation		55.36	50.94	61.94	65.23	88.75	43.63	40.20	43.50	53.85
Standard Total Contribution		32.03	32.03	32.03	32.03	32.03	32.03	32.03	32.03	32.03
Subtotal		23.33	18.91	29.91	33.20	56.72	11.60	8.17	11.47	21.82
DAVTE Grants		-0-	2.17	2.17	4.34	7.21	-0-	-0-	-0-	1.02
Credit Hour Grants		23.33	16.74	27.74	28.86	49.51	11.60	8.17	11.47	20.80

*Does not include Summer school because the college initiated operation during the Fall term 1975.

Table 3

Illinois Community College Board

FY 1976 ANNUAL APPORTIONMENT FTE ENROLLMENT BY EIGHT FUNDING CATEGORIES

	HACC ACADEMIC	BUSINESS PUB SERV	DATA PROC COMMERCE	NAT SCI IND TECH	HEALTH TECH	VOCATION SKILLS	REMEDIAL DEVELOP	OTHER GENERAL STUDIES	TOTAL
501 KASKASKIA	802	95	60	193	147	26	24	114	1,461
502 DUPAGE	5,842	1,355	588	589	165	1	168	109	8,817
503 BLACK HAWK	2,336	758	114	647	192	65	1,021	131	5,264
504 TRITON	4,419	1,318	409	763	619	345	392	323	8,588
505 PARKLAND	2,108	521	80	403	301	48	174	61	3,696
506 SAUK VALLEY	969	483	33	226	180	27	135	37	2,070
507 DANVILLE	1,088	356	57	303	81	47	153	65	2,150
508 CHICAGO	18,968	5,719	1,275	1,349	1,028	2,290	19,628	3,112	53,369 *
509 ELGIN	1,463	464	86	207	167	30	95	22	2,534
510 THORNTON	2,380	739	117	107	290	39	884	160	4,716
511 ROCK VALLEY	2,201	674	98	358	170	103	98	86	3,788
512 WM. RAINEY HARPE	4,054	1,453	277	544	403	60	235	72	7,098
513 ILLINOIS VALLEY	1,533	246	60	223	125	8	70	18	2,283
514 ILLINOIS CENTRAL	2,698	1,188	218	557	338	49	307	221	5,576
515 PRAIRIE STATE	1,759	527	159	255	204	20	120	19	3,063
516 WAUBONSEE	1,495	286	81	257	120	32	226	71	2,568
517 LAKE LAND	1,384	305	76	585	131	42	88	54	2,665
518 CARL SANDBURG	555	341	48	255	163	9	81	81	1,533
519 HIGHLAND	638	178	26	141	65	13	139	56	1,256
520 KANKAKEE	880	261	23	158	128	133	296	74	1,953
521 REND LAKE	639	186	1	339	92	34	76	26	1,393
522 BELLEVILLE	2,691	736	227	551	223	173	189	186	4,976
523 KISHWAUKEE	740	267	50	349	79	17	107	26	1,635
524 MORAINE VALLEY	2,964	1,053	157	207	252	237	408	137	5,415
525 JOLIET	2,907	955	236	743	81	94	410	234	5,660
526 LINCOLN LAND	2,012	373	79	212	140	33	79	36	2,964
527 MORTON	964	246	60	103	105	54	102	19	1,653
528 MCHENRY	652	276	56	220	3	19	69	30	1,325
529 ILLINOIS EASTERN	2,059	375	69	772	197	252	154	337	4,215
530 JOHN A. LOGAN	918	197	14	78	122	76	119	133	1,677
531 SHAWNEE	610	283	40	408	72	61	221	78	1,773
532 LAKE COUNTY	2,144	1,050	105	488	268	23	456	53	4,587
533 SOUTHEASTERN	421	140	2	149	96	24	59	14	905
534 SPOON RIVER	346	91	16	136	66	28	62	26	771
535 OAKTON	2,209	373	129	113	154	167	263	264	3,672
536 LEWIS & CLARK	1,346	741	90	247	128	37	265	88	2,942
537 RICHLAND	767	151	21	91	0	14	69	19	1,132
539 JOHN WOOD	275	68	6	64	0	0	0	0	413
	82,236	24,828	5,243	13,410	7,095	4,730	27,442	6,592	171,576

*To be adjusted after audit correction of apportionment claims

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10/4/76

MECHANICS OF THE PROPOSED OPERATING FUNDING PLAN FOR FISCAL YEAR 1978	TOTAL COST OF FUNDING PLAN ELEMENTS With Explanation of Calculations		COST PER CREDIT HOUR OF FUNDING PLAN ELEMENTS
II. Determination of Local Resource Availability			
A. Tax and chargeback revenue			
1. Use the actual operating tax rates for each district (or the minimum qualifying tax rate, if less) for FY 77 and FY 78 adjusted to eliminate (a) the effective rate of transfers to non-operating funds and (b) the 1¢ reserved for public service activities.	FY 77 tax rates x 1976 EAV ÷ 2 plus FY 78 tax rates x 1977 EAV ÷ 2 after such tax rates are adjusted to exclude transfers to non-operating funds and the 1¢ reserved for public service activities--$85,198,000		
2. Multiply the rates for each district in A-1 above by the EAV estimates of each district for 1976 (50%) and 1977 (50%).			
3. Reduce the results in A-2 above by the estimates of each district for collection losses for FY 78.	Less collection losses of $4,880,000		
4. Increase the result in A-3 above by each district's estimate of non-district chargeback receipts for FY 78.	Plus non-district chargebacks of $1,312,000.		
5. Sum all districts' estimated operating tax and chargeback revenue as adjusted above to obtain a standard local tax contribution.		$81,630,000	$14.67

Determination of Local Resource Availability

Tax and Chargeback Revenue - Since most districts receive revenue from local tax levies in two different years, and roughly in equal proportions, estimates of FY 1978 tax revenue must take into account levies made against both the 1976 and 1977 equalized assessed valuations (EAV). (Roughly half the levy against the 1976 EAV will not be received until early in FY 1978 and half the levy against the 1977 EAV will be received in late FY 1978.) This calculation procedure is shown in Table 4. It should also be noted that the tax rates presented in Table 4 reflect two adjustments--one for transfer of operating revenues to non-operating funds (e.g. the site and construction fund) and another (minus 1¢) for support of public service activities. The latter adjustment is in lieu of a direct state grant for public service activities and has the effect of reducing the standard local contribution and hence raising the credit hour grants, thereby providing indirect state financial support.

Additional adjustments made for determination of estimated local tax and chargeback revenue are a deduction for permanently uncollectable taxes (see Table 5 for an estimate of such losses) and an addition of non-community college district chargeback revenues. Inter-district chargeback revenues are not recorded since on a statewide basis they should net out to zero revenue.

Table 4

Illinois Community College Board

1976 AND 1977 EQUALIZED ASSESSED VALUATIONS AND FY 77 AND FY 78 NET TAX RATES

	1976 EAV	FY 77 BLDG. & EDUC. NET TAX RATE	1977 EAV	FY 78 BLDG. & EDUC. NET TAX RATE	ONE-HALF NET TAX REVENUE LEVIED FOR FY77	ONE-HALF NET TAX REVENUE LEVIED FOR FY78	PROJECTED NET TAX REVENUES FOR FY78
501 KASKASKIA	$ 417,000,000	$0.2400	$ 427,000,000	$0.2400	$ 500,400	$ 512,400	$ 1,012,800
502 DUPAGE	3,780,000,000	0.1000	3,930,000,000	0.1000	1,890,000	1,965,000	3,855,000
503 BLACK HAWK	1,171,000,000	0.1300	1,194,000,000	0.1300	761,150	776,100	1,537,250
504 TRITON	2,005,793,000	0.1400	2,025,851,000	0.1400	1,404,055	1,418,095	2,822,150
505 PARKLAND	1,430,247,000	0.1700	1,466,003,000	0.2200	1,215,709	1,612,603	2,828,313
506 SAUK VALLEY	565,000,000	0.1400	565,000,000	0.1400	395,500	395,500	791,000
507 DANVILLE	495,000,000	0.2400	496,980,000	0.2400	594,000	596,376	1,190,376
508 CHICAGO	12,230,755,000	0.1711	12,230,755,000	0.1781	10,463,410	10,891,487	21,354,898
509 ELGIN	900,000,000	0.2160	945,000,000	0.2170	972,000	1,025,325	1,997,325
510 THORNTON	1,083,000,000	0.1400	1,116,000,000	0.1400	758,100	781,200	1,539,300
511 ROCK VALLEY	1,575,455,000	0.1155	1,654,228,000	0.1248	909,825	1,032,238	1,942,063
512 HARPER	2,315,729,000	0.1250	2,547,302,000	0.1810	1,447,330	2,305,308	3,752,638
513 ILLINOIS VALLEY	930,583,000	0.1600	980,000,000	0.1600	744,466	784,000	1,528,466
514 ILLINOIS CENTRAL	2,164,000,000	0.1770	2,251,000,000	0.1880	1,915,140	2,115,940	4,031,080
515 PRAIRIE STATE	857,000,000	0.1100	890,000,000	0.1100	471,350	489,500	960,850
516 WAUBONSEE	945,000,000	0.1200	965,000,000	0.1200	567,000	579,000	1,146,000
517 LAKE LAND	876,817,000	0.1150	902,000,000	0.1150	504,169	518,650	1,022,819
518 CARL SANDBURG	670,000,000	0.1400	674,000,000	0.1400	469,000	471,800	940,800
519 HIGHLAND	389,363,000	0.2400	391,773,000	0.2400	456,435	470,127	926,563
520 KANKAKEE	616,000,000	0.1700	620,000,000	0.1700	523,600	527,000	1,050,600
521 REND LAKE	269,000,000	0.2400	274,000,000	0.2400	322,800	328,800	651,600
522 BELLEVILLE	1,375,000,000	0.1500	1,385,000,000	0.1500	1,031,250	1,038,750	2,070,000
523 KISHWAUKEE	410,000,000	0.1750	415,000,000	0.1850	358,750	383,875	742,625
524 MORAINE VALLEY	1,701,769,000	0.2150	1,786,857,000	0.2150	1,829,401	1,920,871	3,750,272
525 JOLIET	2,015,000,000	0.1150	2,115,000,000	0.1850	1,158,625	1,956,375	3,115,000
526 LINCOLN LAND	1,450,000,000	0.1800	1,490,000,000	0.1800	1,305,000	1,341,000	2,646,000
527 MORTON	645,000,000	0.2400	645,000,000	0.2400	774,000	774,000	1,548,000
528 MCHENRY	625,000,000	0.1400	650,000,000	0.1400	437,500	455,000	892,500
529 ILLINOIS EASTERN	481,037,000	0.2400	491,027,000	0.2400	577,244	589,232	1,166,476
530 JOHN A. LOGAN	356,513,000	0.2400	356,513,000	0.2400	427,815	427,815	855,631
531 SHAWNEE	163,104,000	0.2400	175,000,000	0.2400	195,724	210,000	405,724
532 LAKE COUNTY	1,368,000,000	0.1800	1,418,000,000	0.1800	1,231,200	1,276,200	2,507,400
533 SOUTHEASTERN	190,700,000	0.2400	190,900,000	0.2400	228,840	229,080	457,920
534 SPOON RIVER	390,000,000	0.2400	410,000,000	0.2400	469,000	492,000	960,000
535 DANTON	1,720,000,000	0.1800	1,668,000,000	0.1790	1,548,000	1,492,860	3,040,860
536 LEWIS AND CLARK	960,000,000	0.1900	960,000,000	0.1900	912,000	912,000	1,824,000
537 RICHLAND	751,300,000	0.1800	766,300,000	0.1800	676,170	689,670	1,365,840
539 JOHN WOOD	450,000,000	0.2150	450,000,000	0.2150	483,750	483,750	967,500
TOTAL	$50,730,165,000	—	$51,918,489,000	—	$40,928,715	$44,268,930	$85,197,645

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10/26/76

Table 5

Illinois Community College Board

ESTIMATED TAX COLLECTION LOSSES - FY78

Dist. No.	College	Collect Loss Rate	Collection Loss Amount	Collection Loss Amount Above Average Loss*
501	Kaskaskia	.0094	$ 10,000	$ -
502	DuPage	.0250	108,000	-
503	Black Hawk	.0102	17,000	-
504	Triton	.0292	95,000	-
505	Parkland	-	-	-
506	Sauk Valley	.0259	22,000	-
507	Danville	.0024	3,000	-
508	Chicago	.1400	3,192,000	1,869,600
509	Elgin	.0351	78,000	-
510	Thornton	.0598	100,000	3,010
511	Rock Valley	.0148	33,000	-
512	Wm. R. Harper	.0499	242,000	-
513	Ill. Valley	-	-	-
514	Ill. Central	-	-	-
515	Prairie State	.0702	75,000	13,034
516	Waubonsee	.0303	38,000	-
517	Lake Land	.0384	43,000	-
518	Carl Sandburg	-	-	-
519	Highland	-	-	-
520	Kankakee	.0125	14,000	-
521	Rend Lake	.0413	27,000	-
522	Belleville	.0742	174,000	37,989
523	Kishwaukee	.0395	32,000	-
524	Moraine Valley	-	-	-
525	Joliet	.0301	124,000	-
526	Lincoln Land	-	-	-
527	Morton	.0327	53,000	-
528	McHenry	.0057	6,000	-
529	Ill. Eastern	.0497	61,000	-
530	John A. Logan	-	-	-
531	Shawnee	.0411	18,000	-
532	Lake County	.0108	29,000	-
533	Southeastern	.0274	13,000	-
534	Spoon River	-	-	-
535	Oakton	.0501	188,000	-
536	Lewis & Clark	.0200	48,000	-
537	Richland	.0299	44,000	-
539	John Wood	-	-	-
TOTAL/AVERAGE		.0580	$4,887,800	$1,923,633

*Amount recommended for FY 1978 funding by ICCB 11/19/76

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11/15/76

MECHANICS OF THE PROPOSED OPERATING FUNDING PLAN FOR FISCAL YEAR 1978	TOTAL COST OF FUNDING PLAN ELEMENTS With Explanation of Calculations	COST PER CREDIT HOUR OF FUNDING PLAN ELEMENTS
B. Tuition and fee revenue		
1. Sum the colleges' RAMP/CC estimates of tuition and general operating student fee revenues for FY 78. If this figures exceeds 20% of the total instructional cost, the 20% figure shall be used.	Colleges' estimates totaled $64,500,000 but they were based on enrollment increases not provided in the plan. Adjustment for lower enrollments (185,500 ÷ 196,509 =94.4%) brought estimated tuition and fee revenue to approximately $61 million which calculates at $10.96/credit hour, however 20% of the $53.85 unit cost projected for FY 78 is $10.77 which yields a total projection of.... $59,935,000	$10.77
C. Add other local revenues such as sales and service fees, interest on investments, etc. as reported by each district in RAMP/CC for FY 78.	Other local revenues were estimated at $ 4,477,000 by the colleges in RAMP/CC.	$ .80
D. Sum A, B, and C above to determine the "standard local contribution."	Total "standard local contribution" is ($146,042,000)	($26.24)
III. Determination of Federal and Other State (Non-ICCB) Resource Availability		
A. Sum the districts' estimates for FY 78 of federal and other state (non-ICCB) revenue (non-restricted and restricted, excluding student financial aid) such as IOE funds (but not to include DAVTE) to determine the "standard 'other' contribution."	Federal and other state revenues from both the operating and restricted purposes funds totaled $8,977,000 and $11,289,000 respectively when adjusted to eliminate expenditures not included in the unit cost study.....$ 20,266,000	$ 3.64

Tuition and Fee Revenue - Colleges' RAMP/CC estimates of tuition and fee (those fees assessed uniformly and which are used for operating expenditure purposes) revenues totaled $64.5 million. However these estimates were based on achieving enrollment levels of 196,509 FTE. Since the colleges' enrollment projections were made (generally in July, 1976), the enrollment picture has changed so that most estimates are not being realized during the fall term. The estimates of tuition and fee revenue were thus reduced in accordance with an ICCB estimate of 185,500--about 5.6% less than the projections which were to generate $64.5 million.

The ICCB had also set a limit on "countable" tuition and fee revenue of 20% of the projected unit cost for any one year since it felt that tuition and fee revenue should not continue to increase and "subsidize" the state credit hour grant. In calculating FY 1978 tuition and fee revenues, the 20% of projected unit cost for FY 1978 amounted to $59.9 million in total or $10.77 per semester credit hour, which is slightly less than the estimate of actual receipts, $61 million.

Determination of Federal and Other State (Non-ICCB) Resource Availability

In estimating "other state" and federal revenue, it was necessary to look at both operating and restricted purposes fund revenue estimates since much of the restricted purpose fund revenue is used in calculating instructional unit costs and therefore generates resource requirement estimates. Based on an anlysis of several RAMP/CC tables, it was estimated that 75% of restricted purpose funds received from the "other state" and federal was used for generation of credit hours. Hence 75% of total restricted purposes fund estimates were added to the total operating fund estimates to generate the $8,977,000 and $11,589,000 estimates for federal and "other state" sources respectively.

MECHANICS OF THE PROPOSED OPERATING FUNDING PLAN FOR FISCAL YEAR 1978	TOTAL COST OF FUNDING PLAN ELEMENTS With Explanation of Calculations		COST PER CREDIT HOUR OF FUNDING PLAN ELEMENTS
IV. Determination of ICCB Apportionment and Grant Responsibility (Including DAVTE)			
A. Sum II-D (standard local contribution) and III-A (standard other contribution), then subtract this amount from I-E.	$299,675,000 minus($146,042,000 + $20,266,000) equals.....($133,367,000) 44.5% of revenues to come from ICCB and DAVTE		$23.97
B. Calculate equalization grants			
1. Calculate a "standard local tax contribution" (II-A divided by I-D).	$81,630,000 ÷ 185,500 = $440		
2. Multiply the EAV*/in-district FTE by the statewide weighted mean tax rate (as adjusted in II-A-1) and subtract from the standard local tax contribution calculated in #1 above.	$85,198,000 ÷ $51,324,325,000 = 16.6¢ tax rate		
3. Multiply the result in #2 above by the in-district FTE enrollments (adjusted as in I-D) in qualifying districts and sum the products. (Equalization calculation)		Totals.....$ 6,983,000	$ 1.25

*Adjusted to reflect one-half the difference between the statewide average collection loss rate and the actual loss of districts with high collection loss rates.

Determination of ICCB Apportionment and Grant Responsibility (Including DAVTE)

Equalization - After estimates of available local (including tuition and fee), federal, and "other state" revenues are calculated and summed, this total is subtracted from projected total resource needs to determine the responsibility of the state for credit hour and special grants (including vo-tech grants from the Illinois Office of Education-Division of Adult and Vocational Education [DAVTE]). DAVTE grants are included in this figure since it is possible that such grants may be funded through ICCB in the near future--perhaps FY 1978.

Equalization grants were calculated similar to FY 1977. The assumption is that a district should be able to raise a standard amount of local tax revenue per student (weighted mean) by applying a standard tax rate (weighted mean) to its equalized assessed valuation per in-district FTE student. If it cannot, it should receive state funding to "equalize" its ability to obtain local tax support. The calculations for FY 1978 are shown in Table 6. It should be noted that an adjustment was made for districts with excessive (above the statewide average) tax collection losses. While the ICCB was not interested in compensating for all the inability of local tax collectors to collect taxes (see Table 5), it did feel that the state should recognize the problem not to be under the control of local districts receiving such revenue and should assume a portion of the responsibility (50% of the difference between a district's actual experience and the statewide average).

The justification for equalization funding is in terms of the extent to which the ability of local community college districts to obtain tax revenue does in fact differ. Figure 1 graphically demonstrates the wide variation in equalized assessed valuation per in-district FTE student and shows the impact of equalization on such disparity. While it is conceded

that local assessing practices do vary (not always in the direction of lower assessment ratios in equalization districts), it is inconceivable that uniformity of assessment would come close to compensating for the extreme disparity between the district with the largest EAV/in-district FTE and the district with the smallest EAV/in-district FTE.

It has been argued that equalization districts are "getting rich" (presumably in terms of state money as a percent of total revenue) at the expense of non-equalization districts, but this is not true. Figure 2 shows that even with greater state funding per student (because of equalization funding) equalization districts are still generally lowest in terms of the total revenue available per student.

Table 6

Illinois Community College Board

PROJECTED FY 1978 SPECIAL ASSISTANCE (EQUALIZATION) FUNDING REQUESTED FOR ILLINOIS PUBLIC COMMUNITY COLLEGES

	1975 EAV	FY76 In-Dist. & Chbk.FTE	(Col.1 ÷ Col.2) 1975 EAV/FY 76 In-Dist. and Chbk.FTE	EAV/FTE Adjusted For 50% of Collection Loss Differential	Col.4 x .00166[a]	$440 minus Col.5[b]	Col.2 x 1.0815 [c]	(Col.6 x Col.7) Total Equalization Grants *
501 KASKASKIA	$ 407,000,000	1,491	272,971	272,971	453	0	1,613	$ 0
502 DUPAGE	3,536,239,000	8,686	407,119	407,119	676	0	9,394	0
503 BLACK HAWK	1,136,277,000	5,254	216,269	216,269	359	81	5,682	460,242
504 TRITON	1,987,395,000	6,605	300,893	300,893	499	0	7,143	0
505 PARKLAND	1,395,363,000	3,296	423,350	423,350	703	0	3,565	0
506 SAUK VALLEY	557,000,000	2,044	272,505	272,505	452	0	2,211	0
507 DANVILLE	494,573,000	2,026	244,113	244,113	405	35	2,191	76,685
508 CHICAGO	12,230,755,000	53,000	230,769	221,307	367	73	57,320	4,184,360
509 ELGIN	875,000,000	2,608	335,506	335,506	557	0	2,821	0
510 THORNTON	1,051,000,000	4,659	225,585	225,382	374	66	5,039	332,574
511 ROCK VALLEY	1,559,576,000	3,812	409,123	409,123	679	0	4,123	0
512 HARPER	2,164,233,000	6,626	326,627	326,627	542	0	7,166	0
513 ILLINOIS VALLEY	885,759,000	2,043	433,558	433,558	720	0	2,210	0
514 ILLINOIS CENTRAL	2,081,000,000	5,195	400,577	400,577	665	0	5,618	0
515 PRAIRIE STATE	826,000,000	2,857	289,114	287,350	477	0	3,090	0
516 WAUBONSEE	925,000,000	2,601	355,632	355,632	590	0	2,813	0
517 LAKE LAND	816,849,000	2,414	338,380	338,380	562	0	2,611	0
518 CARL SANDBURG	655,000,000	1,358	482,327	482,327	801	0	1,469	0
519 HIGHLAND	369,284,000	1,258	293,548	293,548	487	0	1,361	0
520 KANKAKEE	595,000,000	1,886	315,483	315,483	524	0	2,040	0
521 REND LAKE	264,000,000	1,346	196,137	196,137	326	114	1,456	165,984
522 BELLEVILLE	1,327,000,000	4,249	312,309	309,779	514	0	4,595	0
523 KISHWAUKEE	405,023,000	1,556	260,298	260,298	432	8	1,683	13,464
524 MORAINE VALLEY	1,627,486,000	5,323	305,746	305,746	508	0	5,757	0
525 JOLIET	1,995,000,000	4,676	426,647	426,647	708	0	5,057	0
526 LINCOLN LAND	1,420,000,000	2,863	495,983	495,983	823	0	3,096	0
527 MORTON	646,923,000	1,713	377,655	377,655	627	0	1,853	0
528 MCHENRY	610,000,000	1,336	456,587	456,587	758	0	1,445	0
529 ILLINOIS EASTERN	455,716,000	4,129	110,370	110,370	183	257	4,466	1,147,762
530 JOHN A. LOGAN	333,189,000	1,664	200,234	200,234	332	108	1,800	194,400
531 SHAWNEE	163,104,000	1,255	129,963	129,963	216	224	1,357	303,968
532 LAKE COUNTY	1,318,000,000	4,265	309,027	309,027	513	0	4,613	0
533 SOUTHEASTERN	190,524,000	936	203,551	203,551	338	102	1,012	103,224
534 SPOON RIVER	360,584,000	728	495,308	495,308	822	0	787	0
535 DAKTON	1,623,000,000	2,967	547,017	547,017	908	0	3,209	0
536 LEWIS AND CLARK	886,800,000	2,854	310,722	310,722	516	0	3,087	0
537 RICHLAND	736,600,000	1,215	606,255	606,255	1,006	0	1,314	0
539 JOHN WOOD	450,000,000	503	894,632	894,632	1,485	0	544	0
TOTAL	$49,361,252,000	163,297					176,606	$ 6,982,663

[a] 16.6¢ is the weighted mean tax rate for operating purposes (education fund plus building & maintenance fund minus transfer to non-operating funds minus 1¢ reserved for local public service activities)

[b] $440 is the standard local tax contribution divided by total projected FY 1978 FTE

[c] 1.0815 is the statewide projected enrollment increase uniformly applied to all districts

*Amount recommended for FY 1978 funding by ICCB 11/19/76

Figure 1

Illinois Community College Board

1975 EQUALIZED ASSESSED VALUATION/FY 1976 IN-DISTRICT FTE USED FOR EQUALIZATION CALCULATIONS

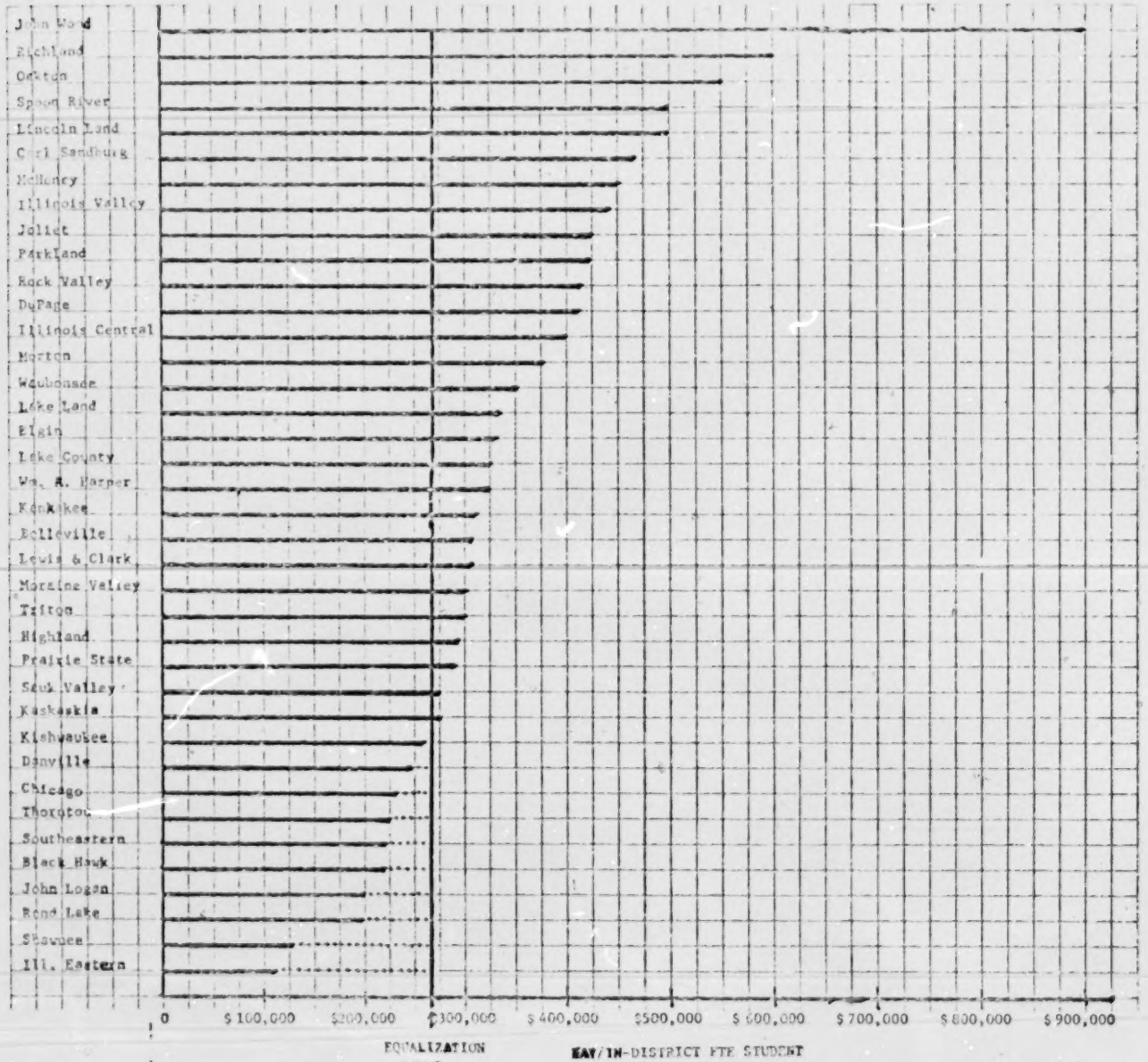

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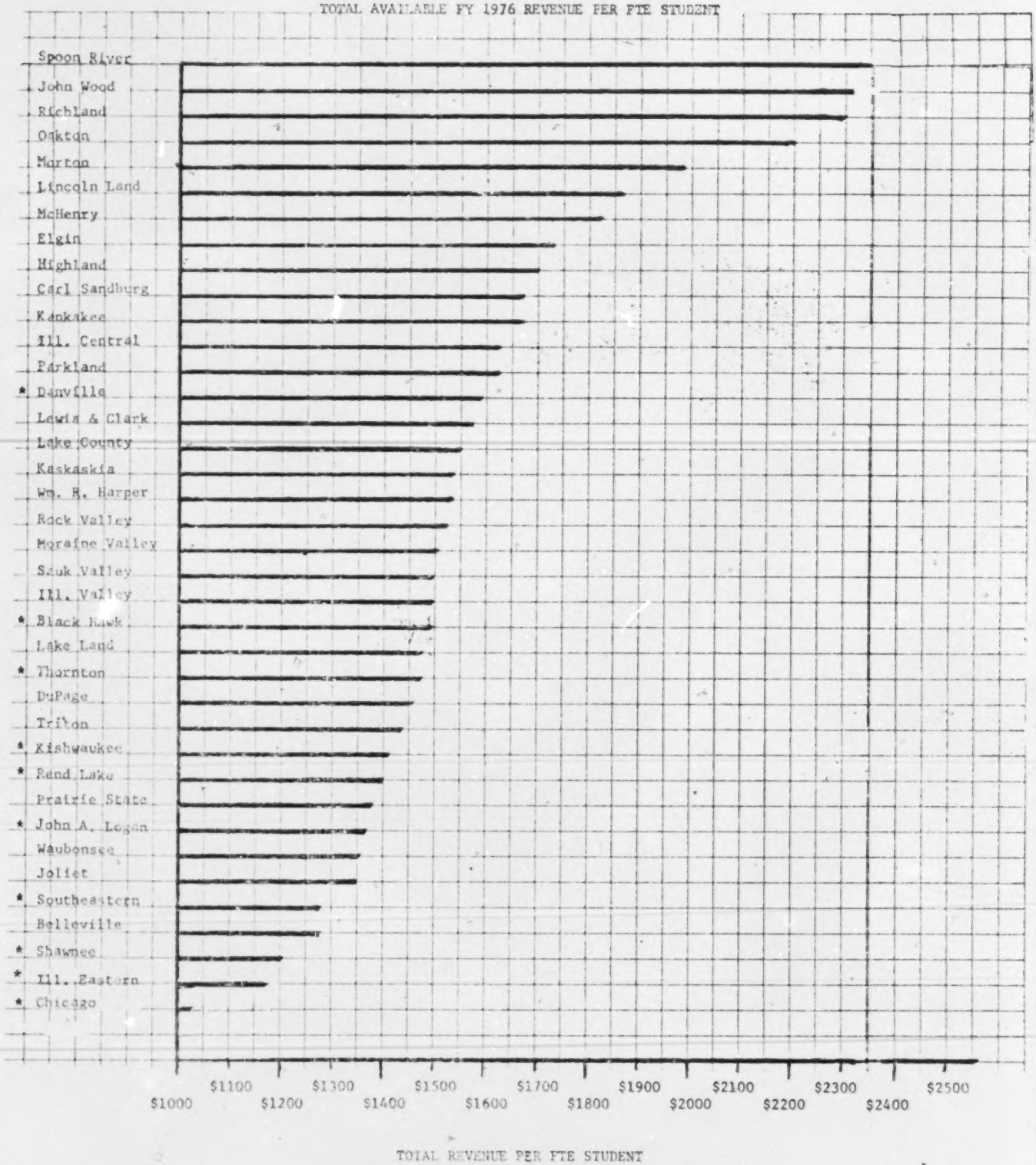
Figure 2

Illinois Community College Board

TOTAL AVAILABLE FY 1976 REVENUE PER FTE STUDENT



TOTAL REVENUE PER FTE STUDENT

*Colleges recommended for equalization funds in FY 1978

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MECHANICS OF THE PROPOSED OPERATING FUNDING PLAN FOR FISCAL YEAR 1978	TOTAL COST OF FUNDING PLAN ELEMENTS With Explanation of Calculations		COST PER CREDIT HOUR OF FUNDING PLAN ELEMENTS
C. Calculate disadvantaged student grants.			
1. Prorate the total allocation for disadvantaged student grant programs on the basis of enrollments in remedial/developmental courses for FY 78 and sum the results. (Disadvantaged student contribution)	The FY 1975 allocation of $2,708,400 was increased by the 7½% inflation factor and the 5% enrollment growth factor and rounded to the nearest $100,000.....	$ 3,000,000	$ .54
D. Calculate each district's tax collection loss and sum those amounts in excess of the standard weighted mean.	Total estimated tax collection losses- $4,887,000; total tax collection loss in excess of statewide weighted mean...	$ 1,924,000	$ .35
E. Sum the districts' estimates of DAVTE funding for FY 78. (DAVTE contribution)	Estimates of the colleges totaled $6,001,000. However, the adjustment for enrollments made in step II-B yielded a total of.....	$ 5,677,000	$ 1.02
F. Subtract B,C,D, and E from A to obtain a total credit hour contribution.	$133,367,000 - $6,983,000 - $3,000,000 - $5,677,000 = ... the ICCB credit hour grant responsibility	$115,783,000	$20.81
G. Calculate credit hour grants.			
1. Calculate a "standard total contribution" (II-D plus III-A plus IV-B plus IV-C plus IV-D divided by I-D divided by 30) and subtract from the median unit cost in each instructional category.	$146,042,000 + $20,266,000 + $6,983,000 + $3,000,000 + $1,924,000 ÷ 30 = $32.02, the standard total contribution. An additional $7.21, $4.34, $2.17 and $2.17 is subtracted from instructional categories #5, #4, #3, and #2 respectively.		
2. An additional subtraction is made for DAVTE vocational grants in the appropriate categories.			
3. Multiply the rates calculated in #1 above by the enrollments derived in I-D divided by 30 for each instructional category and sum the products.			

ICCB Apportionment and Grant Responsibility (Continued)

Disadvantaged Student Grants - In previous years, disadvantaged student grants have been distributed to colleges based on the percentage a given district has of total state monies received from federal sources for student financial aids programs. The emphasis, both of the "Blue Ribbon" Committee and the Ad Hoc Committee, has now shifted toward funding programs for the educationally (rather than economically) disadvantaged. The ICCB has essentially concluded that a satisfactory definition of educational disadvantagement is to be found in remedial/developmental course enrollments, realizing that this definition may not reflect the academic placement policy of a given district. Table 7 shows the proposed distribution of such funds based on projected FY 1978 enrollments in remedial/developmental courses.

Tax Collection Loss Grants - In determining net tax revenue available to community college districts, an amount for collection losses was subtracted from an estimate of gross tax receipts. This has the effect of spreading the collection loss equally among all districts. The ICCB recognized that it would be necessary to make some adjustments so that districts in excess of the "average" would not be unfairly penalized. Therefore an adjustment was made so that districts in excess of the statewide average would receive a direct "special assistance" grant in the amount of the excess. Four districts are affected by this adjustment and the grants total $1,924,000 (see Table 5).

Credit Hour Grants - After all other sources of revenue are subtracted from the estimated total resource requirements, the remaining amount is to be distributed in the form of credit hour grants (see page 9). It should be noted that DAVTE contributions are not calculated as a part of the "standard total contribution" but are accounted for as a separate subtraction based on an estimate of the relative reimbursement level by DAVTE for occupational courses. If the ICCB should become responsible for the distribution of these monies, that final subtraction would not be made and credit hour grants in the four occupational funding categories affected would be larger.

Table 7

Illinois Community College Board

DISADVANTAGED STUDENT ALLOCATION BASED ON FY 1978 PROJECTED FTE
(Approved by ICCB 11/19/76)

	REMEDIAL DEVELOP FTE	REMEDIAL DEVELOP CR HRS	C02 X$3.37 *
501 KASKASKIA	26	779	$ 2,624
502 DUPAGE	182	5,451	18,369
503 BLACK HAWK	1,104	33,126	111,636
504 TRITON	424	12,718	42,861
505 PARKLAND	188	5,645	19,025
506 SAUK VALLEY	146	4,380	14,761
507 DANVILLE	165	4,964	16,729
508 CHICAGO	21,228	636,830	2,146,119
509 ELGIN	103	3,082	10,387
510 THORNTON	956	28,681	96,656
511 ROCK VALLEY	106	3,180	10,715
512 WM. RAINEY HARPE	254	7,625	25,695
513 ILLINOIS VALLEY	76	2,271	7,654
514 ILLINOIS CENTRAL	332	9,961	33,567
515 PRAIRIE STATE	130	3,893	13,121
516 WAUBONSEE	244	7,333	24,711
517 LAKE LAND	95	2,855	9,622
518 CARL SANDBURG	88	2,628	8,857
519 HIGHLAND	150	4,510	15,198
520 KANKAKEE	320	9,604	32,365
521 REND LAKE	82	2,466	8,310
522 BELLEVILLE	204	6,132	20,665
523 KISHWAUKEE	116	3,472	11,699
524 MORAINE VALLEY	441	13,238	44,611
525 JOLIET	443	13,302	44,829
526 LINCOLN LAND	85	2,563	8,638
527 MORTON	110	3,309	11,153
528 MCHENRY	75	2,239	7,544
529 ILLINOIS EASTERN	167	4,997	16,838
530 JOHN A. LOGAN	129	3,861	13,011
531 SHAWNEE	231	6,943	23,399
532 LAKE COUNTY	493	14,795	49,859
533 SOUTHEASTERN	71	2,141	7,216
534 SPOON RIVER	67	2,012	6,779
535 OAKTON	284	8,533	28,756
536 LEWIS & CLARK	287	8,598	28,975
537 RICHLAND	75	2,239	7,544
539 JOHN WOOD	0	0	0
	29,679	**890,356**	**$3,000,499**

NOTE: State Community College of East St. Louis is not recommended to receive any of the total $3,000,000 recommended for the system for disadvantaged student grants.

*The projected credit hour rate ($3 million ÷ 29,679 ÷ 30)

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The "average" unit cost utilized in determining FY 1978 credit hour grants was the weighted mean. The weighted mean more accurately represents actual expenditures in each funding category and more equitably distributes the credit hour grants than would either an unweighted mean or a median.

The credit hour grant rates and the total amount of credit hour grant funding, by category, are shown in Table 8.

Table 8

Recommended Credit Hour Grant Funding for FY 1978

Instructional Category	Credit Hour Grant Rate	Projected FY 1978 Credit Hours	Total Credit Hour Grant Funding
Baccalaureate	$23.33	2,667,300	$62,228,109
Business & Pub. Serv.	$16.74	805,290	13,480,555
Data Proc. & Commerce Tech.	$27.74	170,040	4,716,910
Nat. Sci. & Industrial Tech.	$28.86	434,940	12,552,368
Health Technology	$49.51	230,130	11,393,736
Vocational Skills	$11.60	153,420	1,779,672
Remedial/Developmental	$ 8.17	890,070	7,271,872
General Studies	$11.47	213,810	2,452,401
Total/Average	$20.80	5,565,000	$115,875,623

Other Grants Previously Funded Through the ICCB - Funds for public service activities are no longer funded through the ICCB but are provided indirectly by reserving 1¢ of the local tax rate in calculating the standard local contribution for funding purposes (see page 17 for further explanation). Also not requested for FY 1978 are funds for initial grants (up to $100,000 per college) for new colleges, since none are anticipated, and grants for instructional programs at correctional institutions. Funds for instructional programs at correctional institutions may be sought in separate legislation if it becomes apparent that insufficient funds will be available for such purposes through the Department of Corrections.

Illinois Community College Board - Central Office

The following is a brief explanation of the proposed state funded line item budget increase or decreases for FY78. Additional detail breakdowns are attached for Personal Services. (This explanation does not include funds provided from the State Community College Budget).

	FY77 Appropriation	FY78 Budget Request
Personal Services	$428,310	$521,960
An additional $93,650 is needed to provide (1) a 7.5% salary increase for inflation and 2.5% for annual service increments and merit promotions; and (2) two new positions, including a deputy director, a position that has been considered by the Illinois Community College Board during the past three years, and a secretary for the deputy director.		
Contractual Services	85,470	132,456
This service is being increased by approximately 55% which represents increased legal fees and postage. The ICCB increased the hourly rate of ICCB legal counsel for FY77. Additional funds are needed for increased postage (13¢ per oz.) and we are also requesting $1,000 for some minor renovation in office space. In addition, we are requesting funds to update our Xerox machine, obtain a mag-card typewriter, facilitate an evaluation of the ICCB office ($15,000), provide for consultants to assist with our MIS system, and begin microfilm services.		
Travel	20,000	28,000
The ICCB staff feels that the increase of $8,000 just meets the minimum needs for staff attendance at Board meetings, advisory meetings, campus audits, and to provide travel reimbursement for members of official ICCB advisory committees as required by Section 102-7 of the Public Community College Act. Additional funds have also been included to provide for the higher reimbursement rates in the new Higher Education travel regulations; i.e., mileage has been increased from 12¢ to 15¢ and per diem and hotel rates have also increased.		
Commodities	8,400	9,800
We are allowing an additional $1,400 for the increased costs of paper. This amount is only to provide the current rate of commodities being purchased in FY77, but at increased costs.		

Printing	$ 2,500	$ 3,000
The increase of $500 is just to provide for the increased costs of paper to allow us to continue to produce the same number of issues of the Community College Bulletin as we have in the past and other items such as Red Book and other publications.		
Equipment	1,000	5,200
An additional $3,400 is included for a total of $5,200 to be used for the purchase of microfilm equipment and to replace obsolete dictating equipment and typewriters.		
Telecommunications	13,000	14,000
An increase of approximately $1,000 is needed for increased costs, additional line costs for the new Centrex II system installed in FY76 and increased line costs for data processing.		
EDP - Electronic Data Processing	77,620	117,808
The Illinois Community College Board is attempting to include in EDP all costs that are on a recurring basis each year which were absorbed in the special appropriation for MIS during the past two years plus increased usage with the University of Illinois.		
MIS - Management Information System	15,000	-0-
Absorbed by EDP		
Research	-0-	24,000
These funds will provide six grant projects to fund a computerized ERIC document search service development and computerized student flow and transfer study, development of follow-up studies of part-time students, development and testing of an enrollment projection model and special analysis of part-time faculty in the community colleges.		
Retirement (@ 17.72% of payroll) 3.75% was appropriated in FY 1977	17,600	100,229
Total	$668,900	$956,447

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Table 9

Illinois Community College Board

RECOMMENDED FY78 ICCB OFFICE BUDGET IN
STATE APPROPRIATION FORMAT

	FY77	Proposed FY78 Budget Request
Personal Services	$428,310.	$ 521,960.
Contractual Services	85,470.	132,450.
Travel	20,000.	28,000.
Commodities	8,400.	9,800.
Printing	2,500.	3,000.
Equipment	1,000.	5,200.
Telecommunications	13,000.	14,000.
Sub Total	$558,680.	714,410
Electronic Data Processing	77,620.	117,808
Management Information System	15,000	-0-
Research Grants	-0-	24,000.
Total Operation	$651,300.	$ 856,218
Retirement	17,600.	100,229 (17.72%)
*Total State Appropriation Budget	$668,900.	$ 956,447

*Does not include funds utilized by the ICCB office for administration through State Community College's appropriation.

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Table 10
Illinois Community College Board

PROPOSED ICCB OFFICE PERSONAL SERVICES BUDGET FOR FY78 (1977-1978)

		FY77 Annualized Salary	State Appropriation	EDP	SCC
1.	Executive Director	$ 41,000	$ 41,000	$	$
2.	Associate Director	28,100	28,100		
3.	Associate Director	26,600	26,600		
4.	Associate Director	31,050	31,050		
5.	Associate Director	28,250	28,250		
6.	Associate Director	28,350	28,350		
7.	Associate Director	26,300	26,300		
8.	Assistant Director	20,500	20,500		
9.	Assistant Director	15,500			15,500
10.	Assistant Director	18,300	18,300		
11.	Assistant Director	18,300	18,300		
12.	Assistant Director	16,600	16,600		
13.	Assistant Director	18,400		18,400	
14.	Assistant Director	15,000	15,000		
15.	Assistant Director	15,000	15,000		
16.	Assistant Director	(2)14,400			
		$347,250	$313,350	$18,400	$15,500
1.	Administrative Secretary	11,925	11,925		
2.	Secretary II, Transc.	7,850	7,850		
3.	Secretary III, Steno.	9,650	9,650		
4.	Secretary IV, Steno.	11,750	11,750		
5.	Accountant I	11,300	11,300		
6	Secretary III, Steno.	10,360	10,360		
7.	Secretary III, Steno.	9,500	9,500		
8.	Secretary II, Transc	8,925	8,925		
9.	Secretary III, Steno.	9,425	9,425		
10.	Duplicating III	9,475	9,475		
11.	Secretary III, Steno.	9,650	9,650		
12.	Programmer III	11,400		11,400	
13.	Key Punch II	8,625		8,625	
14.	Account Clerk II	8,150			8,150
15.	Clerk II	7,400	7,400		
16.	Account Clerk II	8,450			8,450
17.	Secretary II, Transc.	7,500			7,500
		$161,335	$117,210	$20,025	$24,100
	*Administrative Staff 10% increase (7% for inflation and 3% for service and merit promotions).	34,725	31,335	1,840	1,550
	*Civil Service 12% increase (9% for inflation and 3% for service and merit promotions).	19,360	14,065	2,403	2,892
	New Positions				
	Deputy Director	$ 35,000	$ 35,000	$	$
	Secretary III, Steno	9,000	9,000		
	Extra Help	4,000	2,000	1,000	1,000
	(1) Total Needs	$610,670	$521,960	$43,668	$45,042

*Includes adjustment of an additional 3% to absorb the deficiency for FY 1977 to be added to the proposed 7% (administrative) and 9% (civil service) increases.

(1) Does not include additional staff in the area of career programs which we believe necessary if DVTE funding to the community college system becomes the responsibility and function of the ICCB.
(2) This position not included in total--funded by CETA.

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Table 11

Illinois Community College Board

PROPOSED ICCB CONTRACTUAL SERVICES BUDGET FY78

	FY77	Proposed FY78
Freight	$ 350	$ 350
Repair & Maintenance Equipment	3,000	3,000
Rental of Office Equipment	15,800	28,050
Rental of Real Estate	32,000	35,000
Professional & Technical	21,970	52,000
Cleaning	150	150
Postage	8,000	9,000
Court Reporting	250	500
Advertising	100	200
Subscriptions	1,150	1,200
Photographic	200	500
Other (Board Meetings	2,500	2,500
Total Contractual	$85,470	$132,450

Rental of Office Equipment:

Xerox 9,200) 4,500	$ 24,000
Pitney Bowes	500
IBM (Transcription)	1,200
IBM (Mag-Card)	2,500
	$ 28,200

Professional & Technical Services:

Legal	$ 12,000
Evaluation Study	15,000
SCC Audits & MIS Consultants	10,000
Micro-film Services	15,000
	$ 52,000

Table 12

Illinois Community College Board

PROPOSED ICCB OFFICE EQUIPMENT FOR FY 1978

		FY77	FY78
Equipment		$1,000.00	$5,200.00
No.	Name	Unit Cost	
3	Micro-fiche Readers	$300.00	1,500.00
4	Lateral File Cabinets	325.00	1,300.00
2 sets	IBM Transcription Equipment	1,200.00	2,400.00
		Total Need	$5,200.00

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Table 13

Illinois Community College Board

PROPOSED EDUCATION DATA PROCESSING BUDGET FOR THE ICCB OFFICE

	FY77	FY78
Personal Services:		
Assistant Director	$18,400	
Programmer	11,400	
Key Punch	8,450	
Total Personal Services	$38,250	$43,668
Contractual:		
Equipment Rental	15,131	15,318
University of Illinois	21,839	40,056
Prof. & Tech. Service	-0-	6,000
Ill. Education Consortium Membership Dues		7,500
Total Contractual	36,970	
Commodities	2,400	3,200
Equipment	-0-	866
Travel	-0-	1,200
Total EDP	$77,620	$117,808

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10-4-76

PROPOSED FY1978 Research Grants for Community Colleges

1. A computerized ERIC document search service for community colleges provided by Illinois institutions such as Eastern Illinois University, Illinois State University, Bradley University and others. Grant would include cost of searches provided for community colleges for one year or until funds run out. This would be intended as a pilot project to encourage the community colleges to utilize the resources available at nearby universities.

$ 6,000.

2. Development of a Computerized Student-Flow and Transfer Study among Illinois Senior Colleges and Community Colleges. This study would utilize the student data of the ICCB MIS system and the computerized student data bases at senior colleges to track student flow and provide information on transfer students.

$ 5,000.

3. Grant for the development of impact studies of community colleges. Request for proposals will be developed by the ICCB Research Advisory Council with priority given to a cooperative study involving several community colleges.

3,000.

4. Grant for the development of Follow-up Studies of Part-time students in the community colleges of Illinois. Request for proposals will be developed by the ICCB Research Advisory Council with priority given to a cooperative study involving several community colleges.

3,000.

5. Grant for the development and testing of an enrollment projection model for the community colleges. Request for proposals will be developed by the ICCB Research Advisory Council with priority given to a cooperative study involving several community colleges.

5,000.

6. Special analysis of part-time faculty in the community colleges of Illinois utilizing the ICCB MIS Faculty and Staff Module. Funds would be utilized for workshop, special computer reports, and publication.

2,000.

GRAND TOTAL RESEARCH GRANTS $24,000.

Note: All research grants awarded to community colleges would have to meet definite specifications identified in the research proposals. The proposals would be evaluated by the ICCB Research Advisory Council and approved by the Illinois Community College Board

Table 14

Illinois Community College Board

PROPOSED ICCB OFFICE BUDGET FROM STATE COMMUNITY COLLEGE
OF EAST ST. LOUIS APPROPRIATION FOR FY 1978

	FY77	FY78
Personal Services	$40,435.	$45,042.
Contractual Services	4,365.	1,758.
Travel	2,500.	1,500.
Commodities	3,000.	2,000.
Equipment	1,000.	1,000.
Telecommunications	1,500.	1,500.
Total	$52,800.	$52,800.

ag
9-30-76

STATE COMMUNITY COLLEGE OF EAST ST. LOUIS

State Community College has submitted a budget request from state funds totaling $3,650,000*--an increase over the FY 1977 appropriation of 7.7%. Table 15 summarizes the request in expenditure object form and compares it to those same object classifications for FY 1977.

The principal increase requested is for personal services. The proposed increase would allow for moving the base salary (masters degree and no experience--nine month contract) from $9,600 to $10,000. This is a modest and reasonable request when compared to salary schedules of neighboring colleges, with whom SCC must compete, and with other community colleges in the state.

In addition to the $3,650,000 of state funds, State Community College officials project income in the Local Education Fund totaling $448,000 from the following sources:

Tuition	$323,000
Administrative Costs-Financial Aid	30,000
Vocational Education Reimbursement	80,000
Indirect Costs-Grants	5,000
Bookstore and Related Fees	5,000
Miscellaneous Income	5,000
Total	$448,000

The ICCB staff would recommend approval of the budget request as submitted by State Community College

*This constitutes the total of state funds recommended for FY 1978. Disadvantaged student funds will not be recommended in addition to these funds.

Table 15

Illinois Community College Board

PROPOSED FY 1978 BUDGET FOR STATE COMMUNITY COLLEGE OF EAST ST. LOUIS

		STATE COMMUNITY COLLEGE PROPOSED FY77 OPERATING EXPENDITURES				STATE COMMUNITY COLLEGE PROPOSED FY78 OPERATING EXPENDITURES			
		COLUMN #1 8/16/76 PROPOSED FY77		COLUMN #2 9/30/76 AMENDED FY77		COLUMN #3 8/16/76 DRAFT #1 FY78		COLUMN #4 AMENDED 9/30/76 DRAFT #2 FY78	
		State	Local	State	Local	State	Local	State	Local
510	PERSONAL SERVICES	$2,617,531	$	$2,574,531*	$	$2,772,000	$	$2,822,000	$
530	CONTRACTUAL SERVICES								
532	Consultants	6,800		3,800*			7,500		7,500
533	Architectural Services	4,000		4,000		-0-		-0-	
534	Maintenance Service Agreements	24,550	20,000	14,550	30,000	45,000		45,000	
535	Legal Services	12,000		8,000	4,000	14,000		14,000	
539	Other:		41,503		41,503		21,000		21,000
	American National Bank						13,000		13,000
	Auditor						-0-		-0-
	Election						3,000		3,000
	ICCB						5,000		5,000
540	GENERAL MATERIALS & SUPPLIES								
541	Office Supplies	11,782	6,718	10,812	7,688	15,000	5,000	15,000	5,000
542	Printing (Commercial & In-House)	20,000	7,000	10,000	17,000	28,000		28,000	
543	Supplies:								
	Instructional		56,000		56,000		60,000		60,000
	Library		1,000		1,000		1,000		1,000
	Maintenance & Custodial	10,000	3,000	5,000	8,000		13,000		13,000
544	Materials:								
	Audio Visual		10,000		10,000		10,000		10,000
	Postage		7,500		7,500		9,000		9,000
	Repair (Maintenance)		15,000		15,000		15,000		15,000
545	Books:								
	Library	50,000	8,955	20,000*	18,955		55,000		55,000
	Textbooks	17,000	41,000	17,000	41,000		75,000		75,000
546	Publication & Dues (Institutions)		8,114		8,114		9,000		9,000
547	Advertising		7,500		7,500		9,000		9,000
550	CONFERENCE & MEETING EXPENSE								
553	Travel Expenses		26,390		26,390		27,000		27,000
555	Auto Expense (College Vehicles)	6,000		6,000		6,000		6,000	
559	Other Conference & Meeting Expense:		350		350		500		500
	Staff Development		2,000		2,000		2,000		2,000
560	FIXED CHARGES								
561	Rental of Facilities	170,000		170,000		170,000		170,000	
562	Rental of Equipment	94,498		94,498		95,000		95,000	
565	Insurance	60,000		60,000		65,000		65,000	

Summary

State revenue has decreased, on a per student basis, in recent years and will be lower in FY 1977, perhaps by 8%, than it was in FY 1974--during a period of time when the cost of living increased by 25%! Coupled with the lower state revenue per student is a declining tax base per student causing most colleges to increase tuition considerably. Since tuition increases cannot possibly cover the resultant deficiency, colleges have had to go into various forms of deficit financing. Even with tuition increases and increased indebtedness, colleges still had to curtail programs and services to the detriment of quality education.

In order to improve an adverse financial situation, a budget request for operations for the community colleges and the ICCB central office (excluding retirement and IBA rentals) totaling $132,196,218 has been requested (see Table 16). This compares with an appropriation received for FY 1977 of $108,802,000 but with an appropriation recommended by the IBHE of $117,111,500. The largest portion of the increase is for credit hour grants--equalization and disadvantaged student grants increased only slightly. The average credit hour grant recommended is $20.80 which is less than the $21.70 recommended by the IBHE and included in Governor Walker's initial budget recommendations for FY 1976, two years ago. The $20.80 also includes funds which were apportioned separately and in addition to the $21.70 recommended in FY 1976.

STATE COMMUNITY COLLEGE
PROPOSED FY77 OPERATING EXPENDITURES

		COLUMN #1 8/16/76 PROPOSED FY77 State	COLUMN #1 8/16/76 PROPOSED FY77 Local	COLUMN #2 9/30/76 AMENDED FY77 State	COLUMN #2 9/30/76 AMENDED FY77 Local
570	UTILITIES	$ 38,500	$	$ 38,500	$
575	Telephone	90,000		90,000	
579	Other Utilities				
580	CAPITAL OUTLAY				
584	Building Remodeling	24,000	41,000	24,000	41,000
585	Office Equipment	12,278		5,278*	
586	Instructional Equipment	82,699		65,699*	10,000
587	Service Equipment	7,662		7,662	
590	OTHER EXPENDITURES				
591	CWS Matching		135,970	115,970*	
592	NDSL Matching		14,000	14,000	
593	Chargeback	30,000		30,000	
599	Other:				
	Refunds		4,000		4,000
	Prior Year's Expenditures		50,000		50,000
600	PROVISION FOR CONTINGENCY		25,000		25,000
	TOTALS	$3,389,300	$532,000	$3,389,300	$432,000
		$3,921,300		$3,821,300	

STATE COMMUNITY COLLEGE
PROPOSED FY78 OPERATING EXPENDITURES

		COLUMN #3 8/16/76 DRAFT #1 FY78 State	COLUMN #3 8/16/76 DRAFT #1 FY78 Local	COLUMN #4 AMENDED 9/30/76 DRAFT #2 FY78 State	COLUMN #4 AMENDED 9/30/76 DRAFT #2 FY78 Local
570	UTILITIES	$ 35,000	$	$ 35,000	$
575	Telephone	90,000		90,000	
579	Other Utilities				
580	CAPITAL OUTLAY				
584	Building Remodeling	10,000	20,000	10,000	20,000
585	Office Equipment	12,000		6,000	6,000
586	Instructional Equipment	90,000		50,000	40,000
587	Service Equipment	18,000		9,000	9,000
590	OTHER EXPENDITURES				
591	CWS Matching		140,000	140,000	
592	NDSL Matching		15,000	15,000	
593	Chargeback	35,000		35,000	
599	Other:				
	Refunds		8,000		8,000
	Prior Year's Expenditures		-0-		-0-
600	PROVISION FOR CONTINGENCY		25,000		25,000
	TOTALS	$3,500,000	$548,000	$3,650,000	$448,000
		$4,048,000		$4,098,000	

Table 16

Illinois Community College Board

SUMMARY OF FISCAL YEAR 1978 OPERATING BUDGET RECOMMENDATIONS

Budget Category	FY 1976 Appropriation	FY 1977 Appropriation	FY 1978 Recommendations
ICCB Office - Total	650,300	651,300	856,218
Personal Services	(389,650)	(428,310)	(521,960)
Contractual Services	(62,110)	(85,470)	(132,450)
Travel	(16,290)	(20,000)	(28,000)
Commodities	(8,000)	(8,400)	(9,800)
Printing	(2,500)	(2,500)	(3,000)
Equipment	(1,500)	(1,000)	(5,200)
Telecommunications	(9,000)	(13,000)	(14,000)
MIS	(100,000)	(15,000)	-0-
Data Processing	(60,620)	(77,620)	(117,808)
Research	-0-	-0-	(24,000)
Grants to Colleges - Total	$93,363,665	$104,761,400	$127,690,000
Credit Hour Grants	(82,357,165)	(95,934,500)	(115,783,000)
Equalization	(3,100,000)	(6,118,500)	(6,983,000)
Sup. Occup.Grants	(4,640,000)	-0-	-0-
Public Service Grants	(705,000)	-0-	-0-
Disad. Student Grants	(2,444,000)	(2,708,400)	(3,000,000)
Tax Collection Loss Grants	-0-	-0-	(1,924,000)
Correction Instruct.Grants	(117,500)	-0-	-0-**
College Formation Grants	-0-	-0-	-0-
ETV Grants	-0-	-0-	-0-
SCC - East St. Louis	$ 3,267,100	$ 3,389,300	$ 3,650,000
Subtotal-Direct Grants To the Colleges and ICCB Office	$97,281,065	$108,802,000	$132,196,218
IBA Rentals	$12,607,110	$ 12,607,110	$ 12,607,110
Subtotal-System Operations Less Retirement	$109,888,175	$121,409,110	$144,803,328
SURS Retirement-System	3,478,400	5,061,300	36,928,500*
SURS Retirement-ICCB Office	12,100	17,600	100,229*
Total System Operations	$113,378,675	$126,488,010	$181,832,057

*Based on 17.72% of payroll

**Funds for community college instruction programs at state correctional institutions may be requested in a separate appropriation

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11/24/76

Special Request for FY 1976 Deficiency In State Funding

In addition to its regular FY 1978 operating budget recommendations for the Illinois public community college system totaling $181,832,057 (as shown on Table 16 on page 45), the ICCB is requesting $19,387,000 for partial reimbursement of the deficiency in state funding for FY 1976.

The $19,387,000 is 70% of the total deficiency of $27,695,700 incurred in FY 1976 when community college enrollments greatly exceeded state funds available and no supplemental or deficiency appropriation was approved during FY 1976. In FY 1976 legislative credit hour grant rates of $21.70, $19.20, and $17.61 for baccalaureate/occupational, remedial-developmental/vocational skills, and other general studies courses respectively were severely prorated to $16.00, $16.50, and $14.95. Restoration of these funds is essential to enable districts to meet the financial obligations incurred from hiring, on a permanent basis, additional faculty and staff to accommodate more than 25,000 more FTE students than for which state funds were provided.

The request for only 70% of the total deficiency by the ICCB is based on (1) the severe limitation on state funding; (2) the fact that 70% represents the approximate amount of direct costs, such as instructional salaries, in the community college budgets as opposed to fixed costs which relate to administrative overhead; and (3) the fact that 70% is the amount utilized by the IBHE for calculation of the enrollment growth aportionment rates for FY 1977.